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RUEHJM/AMCONSUL JERUSALEM PRIORITY 5790  
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RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY  
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SUBJECT: ISRAEL MEDIA REACTION

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SUBJECTS COVERED IN THIS REPORT:  
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Mideast

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Key stories in the media:  
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Leading electronic media reported that three people were killed in a suicide bombing in a commercial center in an outlying neighborhood of Eilat. Fatah, Islamic Jihad, and a third, unknown, organization claimed responsibility for the attack, which was condemned by PA

Chairman [President] Mahmoud Abbas's bureau.

Ha'aretz cited Peace Now as saying on Sunday that settlers have recently begun some additional construction at four out of six outposts that have received demarcation orders and whose evacuation orders has been delayed by the state.

All media reported that at least 26 Palestinians were killed and dozens were wounded in fierce fighting between Fatah and Hamas gunmen in the Gaza Strip over the weekend. On Sunday Yediot reported that four roadside bombs were placed on the route of Abbas's convoy in Gaza last week, and that the PA's Preventative Security defused them. On Sunday Yediot quoted Abbas as saying in Davos, Switzerland, in an interview with the newspaper: "I won't wait forever; rather, I will examine within two-three weeks what the internal situation is in the Palestinian Authority and whether there is a chance of forming a government that will lift the international boycott. If not, I will announce early elections." Abbas was also quoted as saying in the interview: "The solution to the refugee issue needs to be fair and agreed to by both parties." Yediot reported that senior Fatah member Muhammad Dahlan is building a 12,000-strong force with European and US funding. The Jerusalem Post reported that the PA has blamed Iran and Syria for promoting Palestinian civil war. Media reported that on Sunday Hamas and Fatah announced that they were accepting Saudi King Abdullah's offer to host a special summit in Mecca in order to quell the latest round of violence between the two sides.

Over the weekend major media reported that the UN General Assembly adopted a resolution on Friday condemning the denial of the Holocaust, and that Iran rejected it as an attempt by the US and Israel to exploit the atrocity for their political interests. The resolution, co-sponsored by 103 countries, was approved by consensus without a vote. Yediot quoted PM Ehud Olmert as saying on Sunday at the weekly cabinet meeting, which also marked International Holocaust Day, that Israel will never let the world sink into apathy over the Iranian threat to eliminate Israel. On Sunday Ha'aretz reported that Olmert will appoint a special coordinator responsible for monitoring the flow of funds from Iran to elements hostile to Israel. The coordinator will assist the US in its efforts to boycott Iranian banking operations. Ha'aretz reported that an Israeli delegation headed by Transportation Minister Shaul Mofaz and participating in the strategic dialogue forum with the US, informed US officials of the decision at a meeting in Tel Aviv. Ha'aretz reported that during the meeting, the US delegation presented its plan to isolate Iranian funds. The US plan is headed by Under Secretary of Commerce Stuart Levey. On Sunday Ha'aretz reported

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that former Iranian president Mohammad Khatami told the newspaper in Davos on Saturday that there was no chance for talks between Iran and Israel. He was quoted as saying that a solution for the Arab-Israeli conflict must be found that would allow the Palestinian refugees to return to their homes and establish a Palestinian state.

On Sunday Yediot reported that, for the first time since the Islamic revolution in Iran, a film has been requested for the Tehran film festival that was directed by an Israeli and which deals with the Israeli reality. The festival is scheduled to begin this Thursday and is to last ten days. The film, "More than 1,000 Words," which was directed by Solo Avital and is about the photojournalist Ziv Koren, evokes the Israeli-Palestinian conflict and all of its complexities.

On Sunday, The Jerusalem Post reported that US administration officials told the newspaper this weekend that a preliminary State Department report has found that Israel violated US-Israel arms agreements governing the use of cluster bombs during the war in Lebanon. Congress is expected to be briefed on the conclusions of the report in the coming week. Ha'aretz also wrote on the matter today. Today The Jerusalem Post quoted Foreign Ministry spokesman Mark Regev as saying on Sunday that Israel's use of the bombs was in self-defense. The Jerusalem Post reported that, in one of the largest weapons deals since the war in Lebanon, the Israel Air Force intends to purchase thousands of Joint Direct Attack Munition (JDAM) missiles from the US for an estimated USD 100 million. The Boeing Co.-produced JDAM is a low-cost guidance kit that converts free-fall

bombs into guided "smart" weapons.

Ha'aretz cited the non-profit organization as saying in a recent report that Israel has neglected Arab neighborhoods that are within Jerusalem's municipal boundaries but outside the West Bank separation fence.

Israel Radio cited the Egyptian daily Al-Ahram as saying that Israel has acceded to Egypt's request that it release 26 Egyptian citizens it is detaining.

On Sunday Yediot cited the belief of Israeli experts that Hizbullah is likely to receive from Iran a new and advanced model of the Zelzal rocket, which has a range of up to 400 kilometers. This would allow Hizbullah to attack targets anywhere in Israel.

Sunday's testimony of outgoing IDF Chief of Staff Lt. Dan Halutz before the Winograd Committee probing last summer's war in Lebanon: Maariv and Yediot reported that Halutz admitted that he erred when he did not call up reserve forces earlier. Yediot quoted Halutz associates as saying that Halutz told the committee that the GOI decided to go to war without knowing what it was deciding. Israel Radio reported that the IDF Spokeswoman's office denied the story. Ha'aretz reported that on Sunday the High Court of Justice hinted that it may rule that the panel's hearings should be made public -- except in cases where there is danger to national security.

Leading media reported on, and Ha'aretz led with, an annual report issued by the Global Forum against Anti-Semitism -- a joint effort of the Jewish Agency, the Foreign Ministry, and the Prime Minister's Office -- according to which last year saw a substantial rise in the number of anti-Semitic incidents in Germany, Austria and Scandinavia. Israel Radio reported that the International Association of Jewish Lawyers and Jurists has complained to Egyptian President Hosni Mubarak about anti-Semitism in his country.

Prof. Bernard Lewis, a world-renowned Middle Eastern and Islamic scholar, was quoted as saying in an interview with The Jerusalem Post that Islam could soon be the dominant force in a Europe which, in the name of political correctness, has abdicated the battle for cultural and religious control. Lewis was quoted as saying that the Muslims "seem to be about to take over Europe." Asked what this meant for the continent's Jews, Lewis reportedly responded: "The outlook for the Jewish communities of Europe is dim."

Israel Radio reported that this morning the Knesset's House Committee started procedures to impeach Israel's President Moshe Katsav. Ninety Knesset votes are required to complete the move.

Ha'aretz reported that Katsav's hearing is expected to take place within two months, sooner than was previously thought. Leading media reported that on Sunday the cabinet's legislative committee approved the so-called "Peres law" that will allow Vice PM Shimon Peres to be elected president of the state in an open Knesset vote, as opposed to the current secret vote procedure. The Knesset will have to pass the draft bill, which the media said would be a difficult move.

All media reported that, for the first time in Israeli history, the cabinet will include a Muslim Arab, following the near-unanimous approval on Sunday by the current ministers to welcome Labor MK Raleb Majadele into their ranks. Strategic Affairs Minister Avigdor Lieberman (Yisrael Beiteinu) was the only dissenting vote. The appointment will be put to a Knesset vote today. The three Arab parties represented in the Knesset will vote against the appointment on the grounds that it is designed to serve partisan interests and that it will not contribute to their struggle for equality.

Yediot quoted Israeli defense sources as saying that Defense Minister Amir Peretz has not allowed senior intelligence officials to meet with Strategic Affairs Minister Avigdor Lieberman.

Leading media reported that since Sunday US and Iraqi forces have killed some 300 gunmen from an apocalyptic Muslim cult -- the self-proclaimed "Soldiers of Heaven" -- near the Shi'ite holy city of Najaf.

Major media reported that today Finance Minister Abraham Hirschson will present four comprehensive reforms in the coming years:

pensions for all workers, increased taxes on the use of company cars, negative income tax, and reducing the middle class tax burden.

Yediot quoted Palestinian FM Mahmoud Zahar as saying a few days ago in an interview with the Canadian daily Globe and Mail that Israel should "move to Canada."

Yediot reported that a few days ago Swiss President and FM Micheline Calmy-Rey told the parents of abducted IDF soldier Ehud Goldwasser that Switzerland has contacts with Syria, the Palestinians, and Lebanon in an attempt to release the three kidnapped IDF soldiers.

On Sunday Ha'aretz and The Jerusalem Post reported that a new forum -- The National Movement for Peace with Syria -- calling for peace talks with Syria would meet last night in Tel Aviv. Forum participants will include former chief of staff Amnon Lipkin Shahak, former Shin Bet chief Ya'akov Perry, former directors general of the Foreign Ministry David Kimche and Alon Liel, as well as authors, academics, and intellectuals.

Yediot cited fears in Israel that Palestinians may sue Defense Minister Peretz in Belgium for war crimes. Peretz is due to visit that country next week, during his first trip abroad since he has been in office.

Leading media reported that, in Park City, Utah, on Sunday, the Israeli movies "Sweet Mud" and "Hot House," the latter a documentary, won grand jury prizes at the Sundance Film Festival.

Maariv reported that, as Passover approaches, economy airfares to New York are estimated to reach USD 1,000-1,200 during that period -- up from USD 750 in February.

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Mideast:  
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Summary:  
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The independent, left-leaning Ha'aretz editorialized: "As such, as the sovereign in the territories, and irrespective of who is to blame for the diplomatic impasse, Israel is obliged to distinguish between the civilian population and the political process."

Palestinian affairs correspondent Danny Rubinstein wrote in Ha'aretz: "What is happening in Gaza ... endangers not only the inhabitants of the Strip, but all of us, Israelis and Palestinians, who are sliding down the slippery slope of a cultural and religious battle."

Regional correspondent Ronni Shaked wrote in the mass-circulation, pluralist Yediot Aharonot: "The fate of the Palestinian government has not been sealed in Gaza and Ramallah but, rather, in Tehran and Washington."

Conservative columnist Prof. Efraim Inbar, Director of the Begin-Sadat Strategic Center at Bar-Ilan University, wrote in the conservative, independent Jerusalem Post: "Jerusalem should encourage greater involvement by Egypt and Jordan in Palestinian affairs."

Senior columnist Haggai Huberman wrote in an editorial on page one of the nationalist, Orthodox Hatzofe: "Once upon a time we used to believe that the world was silent only when Arabs kill Jews. Apparently, however, the world's view is that when Arabs kill Arabs, that is okay."

Block Quotes:  
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## I. "Separating Talks From the People"

The independent, left-leaning Ha'aretz editorialized (1/28): "Given the Quartet meeting's expected failure, and marking a year of Israeli -- and international -- sanctions against the democratically elected Palestinian government, there is no choice but to reevaluate this policy. Because, even those who adopt the principle that no diplomatic talks can take place with those who do not recognize the State of Israel cannot accept that millions of humans under Israeli occupation can remain hostages to the lack of a diplomatic process. No less troubling is the view that the worsening of Palestinians' living conditions will result in the sort of political change that Israel would like to see. As such, as the sovereign in the territories, and irrespective of who is to blame for the diplomatic impasse, Israel is obliged to distinguish between the civilian population and the political process.... The eternal question of 'what will bolster or weaken Mahmoud Abbas?' is also no policy. Israel must propose a plan that allows for normal Palestinian life, employment, civil services and infrastructures, as is required from an occupier.... This is not merely a legal obligation, but a humanitarian necessity. Furthermore, it would be a worthwhile political investment. An improved economic situation in the territories may also ensure the desired political choice."

## II. "The Key Lies in Gaza"

Palestinian affairs correspondent Danny Rubinstein wrote in Ha'aretz (1/29): "The bloody battles between the factions in Gaza are affecting the entire region. From a fight for political power they have turned into struggles of an ethical, ideological nature. Hamas is identified with the steadfast front in the Arab world, which is very popular in the Arab street.... On the other hand, Abu Mazen, is representative in Gaza Muhammad Dahlan, and their friends are identified in Gaza with rotten and corrupt regimes that serve American interests. What is happening in Gaza therefore endangers not only the inhabitants of the Strip, but all of us, Israelis and Palestinians, who are sliding down the slippery slope of a cultural and religious battle."

## III. "A War of Identity: Between Secularism and Fundamentalism"

Regional correspondent Ronni Shaked wrote in the mass-circulation, pluralist Yediot Aharonot (1/28): "This is not a political clash between Hamas and Fatah over the reins of power. It is a war over the Palestinian identity -- between Fatah, which wants a national and secular identity, and Hamas, which wants to establish a fundamentalist Palestinian Islamic identity. It is a war between the values of the West and Islam. That is why the fate of the Palestinian government has not been sealed in Gaza and Ramallah but, rather, in Tehran and Washington.... Who has won more points? At this stage Fatah is in better shape. Most of the dead and injured over the weekend were Hamas men. But that was just a single battle in a war.... Gaza is burning, but Abu Mazen is touring the world. He was in Davos, he was in Spain. This week he will be visiting Morocco, will take part in a conference in Addis Ababa and return to Ramallah only towards the end of February. He would like to return to Gaza after Hamas has been defeated in battle, but Hamas has not shown any signs of breaking yet. The Gazans have overcome the blight of poverty and unemployment by means of the new jobs and livelihoods: the armed militias. There's money there and the salaries are paid."

## IV. "End the Delusion"

Conservative columnist Prof. Efraim Inbar, Director of the Begin-Sadat Strategic Center at Bar-Ilan University, wrote in the conservative, independent Jerusalem Post (1/28): "With PA fortunes at a low point, Israel should use its diplomatic resources to further weaken and delegitimize the hostile entity, rather than paying lip service to the two-state paradigm -- a losing proposition. Jerusalem should encourage greater involvement by Egypt and Jordan in Palestinian affairs. These states have signed peace treaties with Jerusalem and behave more responsibly than the PA leadership. If they refuse, the prevailing chaos will inflict pain primarily on the Palestinians. Under the current circumstances such a consequence may be useful in influencing the Palestinian learning curve. Alas, there are people who learn only the hard way."

#### IV. "Universal Hypocrisy"

Senior columnist Haggai Huberman wrote in an editorial on page one of the nationalist, Orthodox Hatzofe (1/28): "Twenty-one Palestinians were killed this weekend in the Gaza Strip and no words of outrage were voiced in any capital of the enlightened world.... It is not difficult to imagine what the headlines around the world, and in Israel too, would have been had Yihya Abu Bakra, the two-year-old child, had been killed by a stray Israeli bullet rather than a Palestinian bullet. The telephones in Jerusalem would not have stopped ringing: warnings from Condoleezza, threats from Putin, and the word 'massacre,' which certainly would have been used at the top of every BBC news broadcast.... Once upon a time we used to believe that the world was silent only when Arabs kill Jews. Apparently, however, the world's view is that when Arabs kill Arabs, that is okay. The enlightened Western world never suffered from a lack of hypocrisy. On Saturday we were shown a little bit more."

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